



Montana E-File 2002 Test Packet

Montana Test 6

Based on Federal Test 13

Forms: Form 2S, 2EC (Form 2 supplied if 2S not supported)

Return Status: Refund

Name and SSN: Barrell, Test P 400-00-6807

Address: 128 S. Yellowstone
Livingston, MT 59047

Filing Status: (1) Single

Residency: Full time resident

Exemptions: Total (3) - 1 regular 1 over 65 and 1 dependent

Deduction: Standard

Adj. Federal AGI: Line 14 \$1,575 (\$575 Federal refund, \$1,000 Interest)
\$3,600 Exempt pension, line 15
\$800 Elderly interest exclusion, line 16

Documents: add 1099-int First Security Bank \$1,000
add 1099-G Federal refund \$575
Tax Benefit Worksheet
Line 1 \$575
Line 4 \$3,575
Line 5 \$10,000
Line 9 \$4,000

Full Year Resident - Short Form 2S - Individual Income Tax Return

MONTANA

2002

Full Year Resident ONLY

Filing from a Montana Address

All Other Returns and Refunds Mail to:
Dept. of Revenue
PO Box 6577
Helena, MT 59604-6577

Helena, MT 59604-6577

File on or Before April 15, 2003

Round To nearest dollar If no entry leave blank

MT test #6
Fed. test #13

Last Name Barrell		Your First Name & Middle Initial Test P		<input type="checkbox"/> Deceased	Your Social Security No. 400-00-6807	
Spouse's Last Name if Different		Spouse's First Name & Middle Initial		<input type="checkbox"/> Deceased	Spouse's Social Security No.	
Mailing Address (Montana Addresses Only) 128 S. Yellowstone			City Livingston		Zip Code + 4 MT 59047	
Filing Status Check One	1. Single <input checked="" type="checkbox"/>	2. Married filing joint return <input type="checkbox"/>	3. Head of Household (see Instructions) <input type="checkbox"/>	For Tax Due mail to: Dept. of Revenue PO Box 6308 Helena, MT 59604-6308		

Exemptions Regular 65 or Over Blind All filers are entitled to at least one exemption

1. Yourself ☒ ☒ ☐ Enter number checked **2** 1.

2. Spouse ☐ ☐ ☐ Enter number checked 2.

3. Dependents

Name Do not claim yourself or spouse	Dependents social security number	Relationship
Roland	400-55-3013	Fos

3. Dependents **1** 3.

4. Handicapped Dependent Attach Doctor's Certification 4.

5. Add lines 1, 2, 3 and 4 (if additional dependents, see instructions) **Total Number Exemptions** **3** 5.

REPORT YOUR INCOME



6. Wages, salaries, tips, etc. Attach W-2(s)	6.	
7. Taxable interest income Attach Federal Schedule if over \$1,500	7.	8,000
8. Dividend income Attach Federal Schedule if over \$1,500	8.	
9. Federal taxable pensions, IRA Distributions, annuities Attach 1099R's	9.	7,000
10. Unemployment, alimony, state refund, etc, specify	10.	
11. Total of lines 6 thru 10 Total	11.	15,000
12. Adjustments: moving expense, IRA, alimony, student loan interest, etc., specify	12.	
13. Federal Adjusted Gross Income (Subtract line 12 from line 11)	13.	15,000
14. Add: Interest on state & county municipal bonds (non-Montana) and/or federal refund (see instructions)	14.	1,575
Subtract:		
15. Exempt pension and annuity income - see Worksheet IV, page 13	15.	3,600
16. Interest exclusion for elderly	16.	800
17. Interest exclusion for savings bonds, etc. (specify)	17.	
18. Unemployment	18.	
19. Other reductions (including tips, etc.) Refer to page 5 of instructions	19.	
20. Total adjustments decreasing income (add lines 15 thru 19) Total	20.	4,400
21. Montana Adjusted Gross Income (add lines 13 and 14, subtract line 20)	21.	12,175
22. (A) Standard deduction-see Worksheet V, page 13 (A) <input checked="" type="checkbox"/> or (B) Federal income taxes paid or withheld in 2002. (B) <input type="checkbox"/>	22.	2,435
23. Multiply \$1,740 times the number of exemptions in Box 5 above	23.	5,220
24. Add lines 22 and 23 Total	24.	7,655
25. Taxable income. Subtract line 24 from 21 (If less than zero enter zero)	25.	4,520
26. Tax on amount on line 25 from tax table on back of this form	26.	115
27. In boxes below, enter any amount you and your spouse would like to contribute. See instructions.		
<div> <div>Nongame Wildlife Program</div> <div> <div>28.</div> <div></div> </div> </div> <div> <div> <div>29.</div> <div></div> </div> <div> <div>CHILDREN'S TRUST FUND</div> </div> </div> <div> <div>Agriculture in MT Schools</div> <div> <div>30.</div> <div></div> </div> </div>	27.	Enter total amounts in boxes.....
31. Total Tax — Add lines 26 and 27	31.	115
32. Montana tax withheld	32.	
33. Elderly Homeowner/ Renter Credit- Attach Form 2EC with your receipts	33.	1,000
34. Add lines 32 and 33	34.	1,000
35. If line 34 is larger than line 31 enter difference (refunds of more than \$1.00 will be issued)	35.	885
If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions Direct Deposit		
RTN#	ACCT#	Checking <input type="checkbox"/> Savings <input type="checkbox"/>
36. If line 31 is larger than line 34 enter difference	36.	Tax Due
<div> <div>NEW</div> <div>If you chose to pay your tax due by credit card visit our website at www.discoveringmontana.com/revenue and enter your confirmation number here. See instructions on page 11.</div> </div>		
37. Penalties (see instructions for calculation of penalties)		
Under Pay Pen. <input type="checkbox"/> Late File <input type="checkbox"/> Late Pay <input type="checkbox"/> Interest <input type="checkbox"/> Total of Boxes	37.	
38. Add lines 36 & 37. Attach check or money order for full amount if \$1.00 or more.		
Payable to the Department of Revenue. TOTAL DUE	38.	
Include your payment with the payment coupon provided in this booklet.		

ATTACH WITHHOLDING STATEMENTS

SIGN YOUR RETURN

Name, Address & Telephone Number of Preparer

May the DOR discuss this return with the preparer shown?

Yes ☐ No ☐

If you do not need state income tax forms and instructions mailed to you next year, check box.

Your Signature

Date

Telephone Number

Spouse Signature (if filing jointly, both must sign)

Date

I declare under penalty of false swearing that the information in this return and attachments is true, correct and complete.



2002 Montana Individual Income Tax Return Form 2

02

or Fiscal year beginning _____, 2002 and ending _____, 2003.

MT test #5
Fed. test #10

Last Name Barrell		First Name & Middle Initial Test P		<input type="checkbox"/> Deceased Your Social Security No. 400-00-6807	
Spouse's Last Name if Different		Spouse's First Name & Middle Initial		<input type="checkbox"/> Spouse's Social Security No.	
Mailing Address 128 S. Yellowstone		City Livingston		State MT	Zip Code+4 59047
Filing Status Check One <input checked="" type="checkbox"/> 1. Single <input type="checkbox"/> 2. Married filing joint return <input type="checkbox"/> 3. Married and both filing separate returns on this form <input type="checkbox"/> 4. Married and both filing separate returns on separate forms <input type="checkbox"/> 5. Married filing separate return and spouse is not filing <input type="checkbox"/> 6. Head of Household (see instructions)					
Residency Check One <input checked="" type="checkbox"/> 1. Resident Full Year <input type="checkbox"/> 2. Nonresident Full Year <input type="checkbox"/> 3. Resident Part Year		Give date of change month year		State moved to: State moved from:	
EXEMPTIONS Regular 65 or Over Blind					
1. Yourself <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Enter number checked 2 1.					
2. Spouse <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Enter number checked <input type="checkbox"/> 2.					
3. Dependents					
Full Name Do not claim yourself or spouse		Dependent's social security number		Relationship	
Roland		400-55-3013		Fos	
3. Dependents <input checked="" type="checkbox"/> 1 3.					
4. Handicapped Dependent Attach Doctor's Certification <input type="checkbox"/> 4.					
5. Add lines 1,2,3 and 4 (if additional dependents, see instructions) Total Exemptions <input checked="" type="checkbox"/> 3 5.					

INCOME REPORTED FROM FEDERAL RETURN

Enter amounts reported on federal return

6. Wages, salaries, tips, etc. Attach copies of W-2(s) from all states 6.
7. Taxable interest income Attach Federal Schedule if over \$1,500 7. **8,000**
8. Dividend income Attach Federal Schedule if over \$1,500 8.
9. Net business income (loss) Attach Federal Schedule C or C-EZ 9.
10. Capital gain (or loss) Attach Federal Schedule D 10.
11. Supplemental gains (or losses) Attach Federal Form 4797 11.
12. Rents, royalties, partnerships, estates, trusts, etc.
Attach Federal Schedule E and Form 8582 and all K-1's 12.
13. Total IRA distributions a. 13b. Taxable amount } Attach all 13b.
14. Total pensions and annuities a. **7,000** 14b. Taxable amount } 1099R's 14b. **7,000**
15. Social Security Benefits a. 15b. Taxable amount 15b.
16. Net farm income (Loss) Attach Federal Schedule F 16.
17. Other income: State refund alimony unemployment other (specify) 17.
18. Total of lines 6 thru 17 **Total** ⇒ 18. **15,000**
19. Adjustments to income. Educator expenses IRA deduction
Student loan interest Tuition and fees Archer MSA 19.
- Moving Expenses(Attach Fed. form 3903) 1/2 SE Tax SE Health 19.
- SE SEP, SIMPLE Penalty on early withdrawal of savings Alimony paid 19.
20. Federal Adjusted Gross Income (subtract line 19 from line 18) ⇒ 20. **15,000**

Note: Line 20 must match your federal adjusted gross incomeRound to nearest dollar
if no entry leave blank

ATTACH WITHHOLDING STATEMENTS HERE

ADDITIONS

21. Interest and dividends on state, county, or municipal bonds (Non-Montana) 21. **1,000**
22. Federal income tax refunds/overpayment (see page 3, line 22 on instructions) 22. **575**
23. Other additions, transfer allocation of income (see page 4, line 23 of instructions)
Specify 23.
24. Total additions to income (add lines 21 thru 23) **Total** ⇒ 24. **1,575**
25. Add lines 20 and 24, enter result ⇒ 25. **16,575**

REDUCTIONS

NEW

26. Farm Risk Management Account (Attach Form FRM) 26.
27. Interest exclusion for elderly 27. **800**
28. Interest exclusion for savings bonds, etc. Specify 28.
29. Exempt pension & annuity income, (not soc. sec./disability) Attach Worksheet IV, Page 13. 29. **3,600**
30. Unemployment 30.
31. Medical Care Savings Account Attach Form MSA 31.
32. Family Education Savings Account(Attach name and social security number(s) of beneficiary). 32.
33. First Time Home Buyers Account (see page 5, line 33 of instructions) Attach Form FTB... 33.
34. Other reductions (see list of reductions on page 5, line 34 of instructions).
Specify reductions 34.
35. Total reductions to income (add lines 26 thru 34) **Total** ⇒ 35. **4,400**
36. Subtract line 35 from line 25. Enter here and on line 37, page 2. ⇒ 36. **12,175**

Form 2 Page 2 - 2002

Social Security Number 400 / 00 / 6807Column A (for single
joint, separate, or head
of household)Column B (for spouse
only when filing
separate, and box 3 is
checked)




DEDUCTIONS

EXEMPTIONS

37. Montana Adjusted Gross Income (From line 36)	37.	12,175		37.
Deductions Check only one				
38. (A) Standard Deduction: <input checked="" type="checkbox"/> (A) } Montana's standard and itemized deductions are different than federal deductions. See instructions for this line.	38.	2,435		38.
39. Subtract line 38 from 37 and enter balance.....	39.	9,740		39.
Exemptions (All filers are entitled to at least one exemption)				
40. Multiply \$1,740 times the number of exemptions on line 5	40.	5,220		40.
41. Taxable Income. Subtract line 40 from line 39	41.	4,520		41.

TAX COMPUTATION

Nonresidents and Part-Year Residents complete and attach Schedules III & IV Form 2A, before proceeding

42. Tax from table below. Non/part year residents enter the amount from line 131, Schedule IV. If line 41 is less than zero, enter zero here.	42.	115		42.
43. Tax on lump sum distributions (see instructions for this line). Attach Federal Form 4972	43.			43.
44. Subtotal—Add lines 42 & 43.....	44.	115		44.
45. Credits from Form 2A, line 113, Schedule II	45.			45.
46. Balance—Subtract line 45 from 44 and enter difference (but not less than zero).	46.	115		46.
47. Investment credit recapture	47.			47.
48. For <u>each</u> of the programs below enter any amount you and your spouse want to contribute.	48.			48.
Enter totals in boxes. (see instructions for details)				
 49. <input type="text"/>	 50. <input type="text"/>	 51. <input type="text"/>	Enter total amount in boxes.....	48.
52. Total Tax —Add lines 46, 47, and 48.....	52.	115		52.
53. Combine amounts shown on line 52 columns A & B.....	53.		115	53.

PAYMENTS & CREDITS

54. Montana tax withheld	54.			54.
55. Payments of 2002 estimated tax and amounts credited from previous year	55.			55.
56. Payment made with extension	56.			56.
57. Elderly Homeowner/ Renter Credit	57.	1,000		57.
58. Total of lines 54 thru 57	58.	1,000		58.
59. Combine amounts shown on line 58 columns A & B	59.		1,000	59.

REFUND OR AMOUNT YOU OWE

60. If line 59 is larger than line 53 enter the difference. This is your OVERPAYMENT	60.	885		60.
61. Amount on line 60 to be applied to 2003 estimate <input type="text"/>	61.			61.
62. Enter the amount from line 60 you want refunded to you (refunds more than \$1.00 will be issued) REFUND	62.			62.
Refund Returns: Mail to Dept. of Revenue, PO Box 6577, Helena, MT 59604-6577				
If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions on page 6.				
RTN# <input type="text"/>	ACCT# <input type="text"/>	Checking <input type="checkbox"/>	Savings <input type="checkbox"/>	
63. If line 53 is larger than line 59 enter TAX DUE (If you owe see instructions for this line)	63.			63.
Make your check or money order payable and remit with payment coupon to: Dept. of Revenue, PO Box 6308, Helena, MT 59604-6308.				
If you chose to pay your tax due by credit card visit our website at www.discoveringmontana.com/revenue and enter your confirmation number here. See instructions on page 6.				
<ul style="list-style-type: none"> Check this box if at least 2/3 of your gross income is from farming. (attach breakdown of computations) <input type="checkbox"/> Check here if estimated payments were made using the annualization method. (Attach Montana Form EST-P) <input type="checkbox"/> Check here if you do not need state income tax forms and instructions mailed to you next year. Tax forms are also available on the internet. <input type="checkbox"/> 	Underpayment penalty See Worksheet VII, Schedule W.... 64. Late filing penalty-See page 2..... 65. Late payment penalty-See page 2. 66. Interest 1% (.01) per month..... 67. Total of lines 63 through 67..... 68.			
Note: <input type="checkbox"/> Extension - Check this box and attach copies of federal extension(s) to receive a valid Montana extension. See Page 2 of instructions for details.				

PLEASE SIGN HERE

Name, address & telephone number of preparer

May the DOR discuss this return with the preparer shown above? ☐ Yes ☐ No

Questions? Please call (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. ☎

X 601-555-5430 **X**

Your signature Date Daytime Telephone Number Spouse signature Date

I declare under penalty of false swearing that the information in this return and attachments is true, correct and complete.

If Taxable Income is:				TaxTable				If Taxable Income is:			
Over	But not over	Multiply by	and Subtract = Tax	Over	But not over	Multiply by	and Subtract = Tax	Over	But not over	Multiply by	and Subtract = Tax
\$ 0	\$ 2,200	X	2 % \$ 0	\$17,400	\$21,800	X	7 % \$ 458	\$17,400	\$21,800	X	7 % \$ 458
\$ 2,200	\$ 4,400	X	3 % \$ 22	\$21,800	\$30,500	X	8 % \$ 676	\$21,800	\$30,500	X	8 % \$ 676
\$ 4,400	\$ 8,700	X	4 % \$ 66	\$30,500	\$43,500	X	9 % \$ 981	\$30,500	\$43,500	X	9 % \$ 981
\$ 8,700	\$13,100	X	5 % \$ 153	\$43,500	\$76,200	X	10 % \$ 1,416	\$43,500	\$76,200	X	10 % \$ 1,416
\$13,100	\$17,400	X	6 % \$ 284	\$76,200		X	11 % \$ 2,178	\$76,200		X	11 % \$ 2,178

2002 Elderly Homeowner/Renter Credit

MONTANA
2EC
Rev. 8-02

File on or before April 15, 2003, or with your Form 2 or 2S

Please follow instructions on the back when completing this form

Return Will Not be Processed Without a Copy of Your 2002 Property Tax Bill or Signed Rent Receipt(s)
Please Attach These to This Form

Part I

Last Name Barrell	Your First Name & Middle Initial Test P	Your Social Security No. 400-00-6807
Spouse's Last Name if Different	Spouse's First Name & Middle Initial	Spouse's Social Security No.
Mailing Address 128 S. Yellowstone	City Livingston	State MT
		Zip Code+4 59047

If you are filing this form on behalf of a deceased taxpayer, provide the date of death. _____

Part II - If the answer to any of the questions below is no, you are not eligible for the credit. Do not complete this schedule.

	Yes	No		Yes	No
➤ Were you age 62 or older as of December 31, 2002?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	➤ Did you occupy Montana residence(s) as an owner or renter a total of 6 months or more during 2002?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
➤ Did you reside in this state for 9 months or more during 2002?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	➤ Was your total gross household income <u>less</u> than \$45,000 in 2002?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part III - List taxable and nontaxable income received from all members of the household.

1. Enter total income received from wages, fees, bonuses, all capital gains, ordinary income, dividends and interest Do not include any losses	1.	8,000
2. Enter total income from business, partnerships, rents, royalties, etc. Do not include any losses	2.	
3. Enter any payments and interest on federal, state, county and municipal bonds	3.	1,000
4. Enter alimony, public assistance, unemployment, tax refunds, state, federal and 2EC (etc.)	4.	575
5. Enter all pensions, annuities, and IRA's including Railroad Retirement, PERS, Veteran's Disability, All social security income except social security paid directly to a nursing home	5.	7,000
6. Total income (add lines 1 thru 5) If greater than \$45,000, stop here, you do not qualify Total	6.	16,575
7. Standard exclusion.....	7.	(6,300)
8. Total household income. Subtract line 7 from line 6 (if less than zero enter zero) Total	8.	10,275

Part IV - Homeowners- Complete line 9 (Renters—use line 10)

9. Enter all 2002 property taxes, fees, special assessments, and SIDs <u>billed</u> on residence and land not to exceed 1 acre . See instructions.	9.	1,575												
Renter														
10. Enter rent paid on residence in 2002 (attach signed rent receipts).....	10.	1,200												
11. Rent equivalent—Multiply line 10 by 15% (.15)	11.	180												
12. Total of allowable property tax and/or allowable rents paid Line 9 and/or line 11	12.	1,755												
13. Total household income from line 8	13.	10,275												
14. Enter multiplier figure from table on reverse side	14.	.045												
15. Net allowable household income—Multiply line 13 by line 14	15.	462												
16. Subtract line 15 from line 12. <u>If zero or less, you cannot take the credit; do not file this form.</u>	16.	1,293												
17. First, enter the amount from line 16 or \$1,000, whichever is smaller (the maximum credit is \$1,000).....	17.	1,000												
➤ Then, if line 6 is \$35,000 or less, enter the amount from line 17 on line 19 (skip line 18).														
➤ If line 6 is more than \$35,000, complete lines 18 and 19 below.														
18. Enter the percentage amount from the table below that corresponds to the amount reported on line 6.....	18.													
<table border="0"> <tr> <td>the amount on Line 6 is between:</td> <td>Your allowable credit percentage is:</td> </tr> <tr> <td>\$35,000 - \$37,500</td> <td>40% (.40)</td> </tr> <tr> <td>\$37,501 - \$40,000</td> <td>30% (.30)</td> </tr> <tr> <td>\$40,001 - \$42,500</td> <td>20% (.20)</td> </tr> <tr> <td>\$42,501 - \$44,999</td> <td>10% (.10)</td> </tr> <tr> <td>\$45,000 - or more</td> <td>0%</td> </tr> </table>			the amount on Line 6 is between:	Your allowable credit percentage is:	\$35,000 - \$37,500	40% (.40)	\$37,501 - \$40,000	30% (.30)	\$40,001 - \$42,500	20% (.20)	\$42,501 - \$44,999	10% (.10)	\$45,000 - or more	0%
the amount on Line 6 is between:	Your allowable credit percentage is:													
\$35,000 - \$37,500	40% (.40)													
\$37,501 - \$40,000	30% (.30)													
\$40,001 - \$42,500	20% (.20)													
\$42,501 - \$44,999	10% (.10)													
\$45,000 - or more	0%													
19. Multiply the amount on line 17 by the percentage from line 18. This is your allowable Homeowner/Renter Credit.....	19.	1,000												
➤ If you file a Montana income tax return using Form 2 (long form), enter the amount from line 19 on line 57 of Form 2.														
➤ If you file a Montana income tax return using Form 2S (short form), enter the amount from line 19 on line 33 of Form 2S.														
➤ If you are not required to file either Form 2 or Form 2S, mail this form to: Montana Department of Revenue, PO Box 6577, Helena MT 59604-6577														

Refunds will be issued through the Department of Revenue

I declare under penalty of false swearing that the information in this return and attachment is true, correct and complete.

Your Signature

Date

Telephone Number

Spouse's Signature

Date



2002 Individual Income Tax Worksheets

Attach This Form To Your Return

Worksheet I - IRA Deduction

If you filed jointly on your federal tax return and separately (filing status 3, 4 or 5) on your Montana return, your deductible IRA for Montana purposes may be less than the amount allowed on your federal return.

If during the tax year, neither spouse was covered by a retirement plan where they worked, Montana and federal IRA deductions will be the same (maximum \$3,000 per spouse, or \$3,500 if 50 years old or older). If part of your IRA deduction is attributable to the IRA of a nonworking spouse, that amount must be added back on line 23 in the column of the nonworking spouse.

If during the tax year, one or both spouses were covered by a retirement plan where they worked, complete both columns of the worksheet below to determine if there is a difference between allowable federal and Montana IRA deductions.

IRA Worksheet

	Column A	Column B
1. Phase out amount	\$10,000	\$10,000
2. Enter your federal adjusted gross income before federal IRA contributions.		
3. Subtract line 2 from line 1		
4. Maximum allowable IRA deduction. Multiply line 3 by 20% (.20). If the result is less than \$200, but more than zero, enter \$200	X .20	X .20
5. Enter IRA amount from line 19, Form 2		
6. Enter lesser of line 4 or line 5		
7. Subtract line 6 from line 5 and enter this amount on line 23, Form 2. This is the nondeductible portion of your IRA for Montana purposes.		

If you are married, filing separate returns and lived apart from your spouse the entire year, you will be treated as single individuals.

Worksheet II - Tax Benefit Rule (Taxable Refunds and Reimbursements)

	Column A	Column B
1. Total of all federal income tax refunds received. Do not include EIC.....	575	
2. All refunds and reimbursements of previously deducted itemized deductions..... Example: In 2001 you deducted medical expenses not covered by insurance. In 2002 your insurance company determines that a portion of the denied expenses should have been paid by them. They send you a check. This amount may be taxable because you claimed it as an expense paid by you in the prior tax year.		
3. Add lines 1 and 2 above.....	575	
4. Montana Itemized deductions for prior year. If you took the standard deduction, stop here. None of the refund is taxable.....	3,575	
5. Enter prior year's Montana Adjusted Gross Income.....	10,000	
6. If you are filing single or married filing separately, multiply line 5 by 20% (.20) and enter here. If this amount is less than \$1,450, enter \$1,450. If more than \$3,260, enter \$3,260. If you are filing a joint return or filing as head of household, multiply line 5 by 20% and enter here. If this amount is less than \$2,900, enter \$2,900. If more than \$6,520, enter \$6,520....	2,000	
7. Subtract line 6 from line 4. If the result is zero, stop here. The amount on line 3 is not taxable.....	1,575	
8. Enter the smaller of line 3 or line 7.....	575	
9. Montana taxable income from prior year.....	4,000	
10. Enter the following amount on Form 2, line 22. If line 9 is: Zero or more, enter the amount from line 8. If less than zero, add lines 8 and 9 and enter the net amount (but not less than zero).....	575	

Worksheet III - Qualifying Capital Gain Exclusion

Capital Gain Exclusion Worksheet - If you had an installment sale(s) of a capital asset(s) which you entered into before January 1, 1987 you may be able to take a capital gain exclusion of 40%. Compute your exclusion on the worksheet below.

If Federal Schedule D line 17 is negative, you are not allowed a capital gain exclusion.
Do not proceed any further.

	Column A	Column B
1. Add the amounts from Federal Schedule D lines 11 and 12 which pertain to installment sales entered into before January 1, 1987, and enter here.		
2. Add the amounts from Federal Schedule D lines 7(f) and 16(f) and enter here.....		
3. Divide line 1 by line 2.	%	%
4. Enter the amount from line 17 of Federal Schedule D, but not less than zero.....		
5. Multiply the amount on line 4, times the % on line 3: _____ x _____ %		
6. Multiply amount on line 5 times 40% (.40). This is your Montana capital gains exclusion. Enter on line 34 of Montana Form 2.....	X .40	X .40